

CHAPTER 1246
FIRE AND CASUALTY INSURANCE

H. F. 221

AN ACT relating to fire and casualty insurance companies.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 SECTION 1. Section five hundred fifteen point thirty-five (515.35),
2 subsection four (4), Code 1966, is hereby amended as follows:
3 1. By striking from lines four (4), five (5), and six (6) the words
4 "worth at least double the amount loaned thereon and secured there-
5 by." and inserting in lieu thereof the words ", provided that at the
6 date of acquisition the total indebtedness secured by such lien shall not
7 exceed seventy-five percent of the value of the property upon which
8 it is a lien."
9 2. By striking from line thirteen (13) the word "one-half" and
10 inserting in lieu thereof the words "seventy-five percent".

Approved February 12, 1970.

CHAPTER 1247
INSOLVENT INSURERS

S. F. 1102

AN ACT to avoid financial loss due to the insolvency of an insurer.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 SECTION 1. **Scope.** This Act shall apply to all kinds of direct insur-
2 ance, except life, title, surety, disability, credit, mortgage guaranty,
3 and ocean marine insurance.
- 1 SEC. 2. **Definitions.** As used in this Act unless the context other-
2 wise requires:
- 3 1. "Association" means the Iowa insurance guaranty association
4 created pursuant to section three (3) of this Act.
- 5 2. "Commissioner" means the commissioner of insurance of this
6 state.
- 7 3. "Covered claim" means an unpaid claim, including one for un-
8 earned premiums, which arises out of and is within the coverage of
9 an insurance policy to which this Act applies issued by an insurer,
10 if such insurer becomes an insolvent insurer after the effective date of
11 this Act and one of the following conditions exists:
12 a. The claimant or insured is a resident of this state at the time of
13 the insured event.
14 b. The property from which the claim arises is permanently located
15 in this state.
- 16 Such term does not include any amount due any reinsurer, insurer,
17 insurance pool, or underwriting association, as subrogation recoveries
18 or otherwise.
- 19 4. "Insolvent insurer" means an insurer authorized to transact in-
20 surance in this state, either at the time the policy was issued or when
21 the insured event occurred, which is determined to be insolvent by a
22 court of competent jurisdiction.